

2009

Legislative Testimony on the Integration Revenue Program (2009)

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Segregation in the Twin Cities: Reforming the Integration Revenue Program



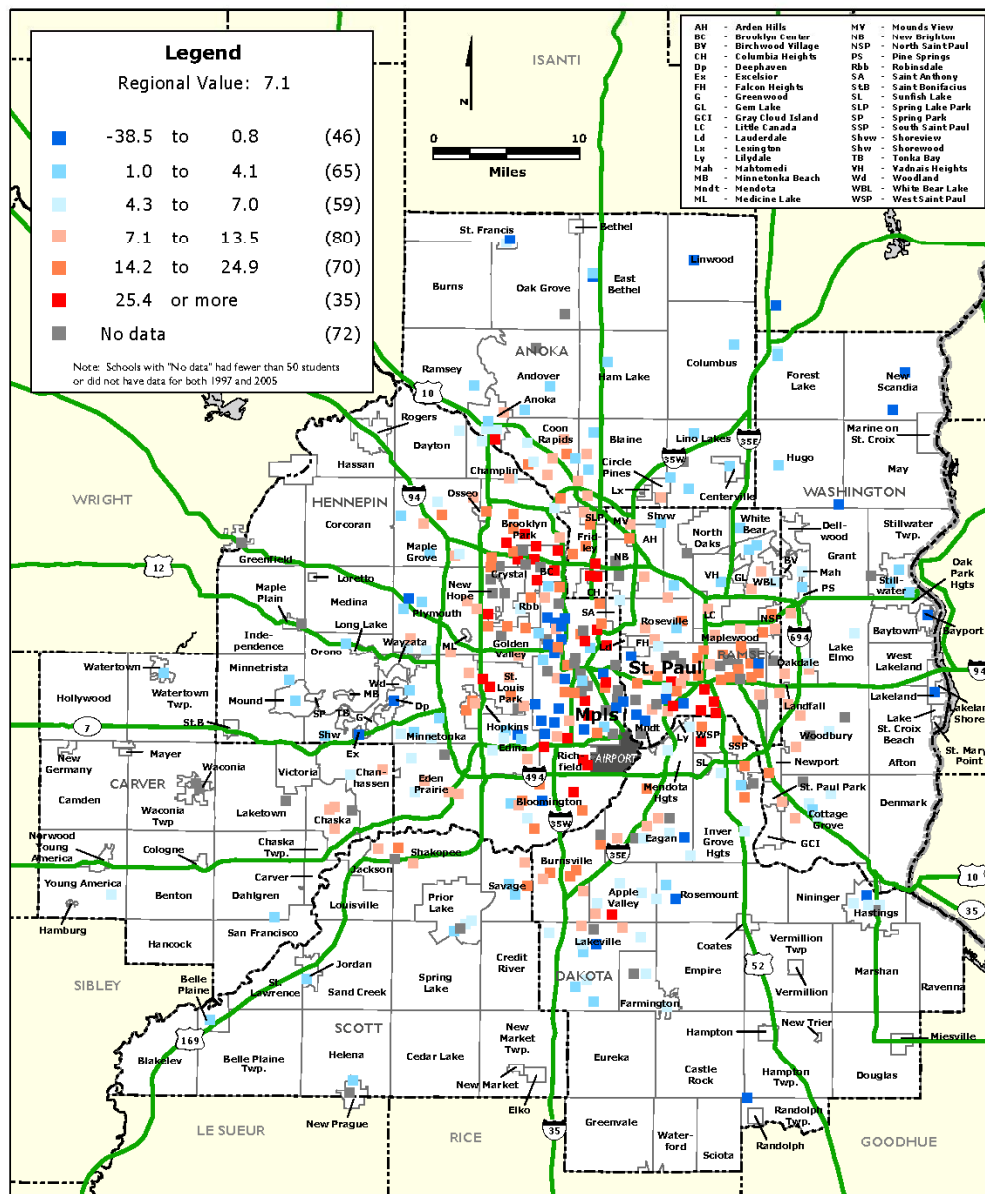
institute on race & poverty
Research, Education and Advocacy

Segregation in Twin Cities Schools is Increasing

- The number of non-white segregated schools grew from 9 in 1992 to 108 in 2008.
- The number of elementary students of color attending non-white segregated schools skyrocketed from 2,832 in 1992 to 29,788 in 2002 and to 39,695 in 2008.



MINNEAPOLIS - SAINT PAUL REGION Percentage Point Change of Non-Asian Minority Students by Elementary School, 1997-2005

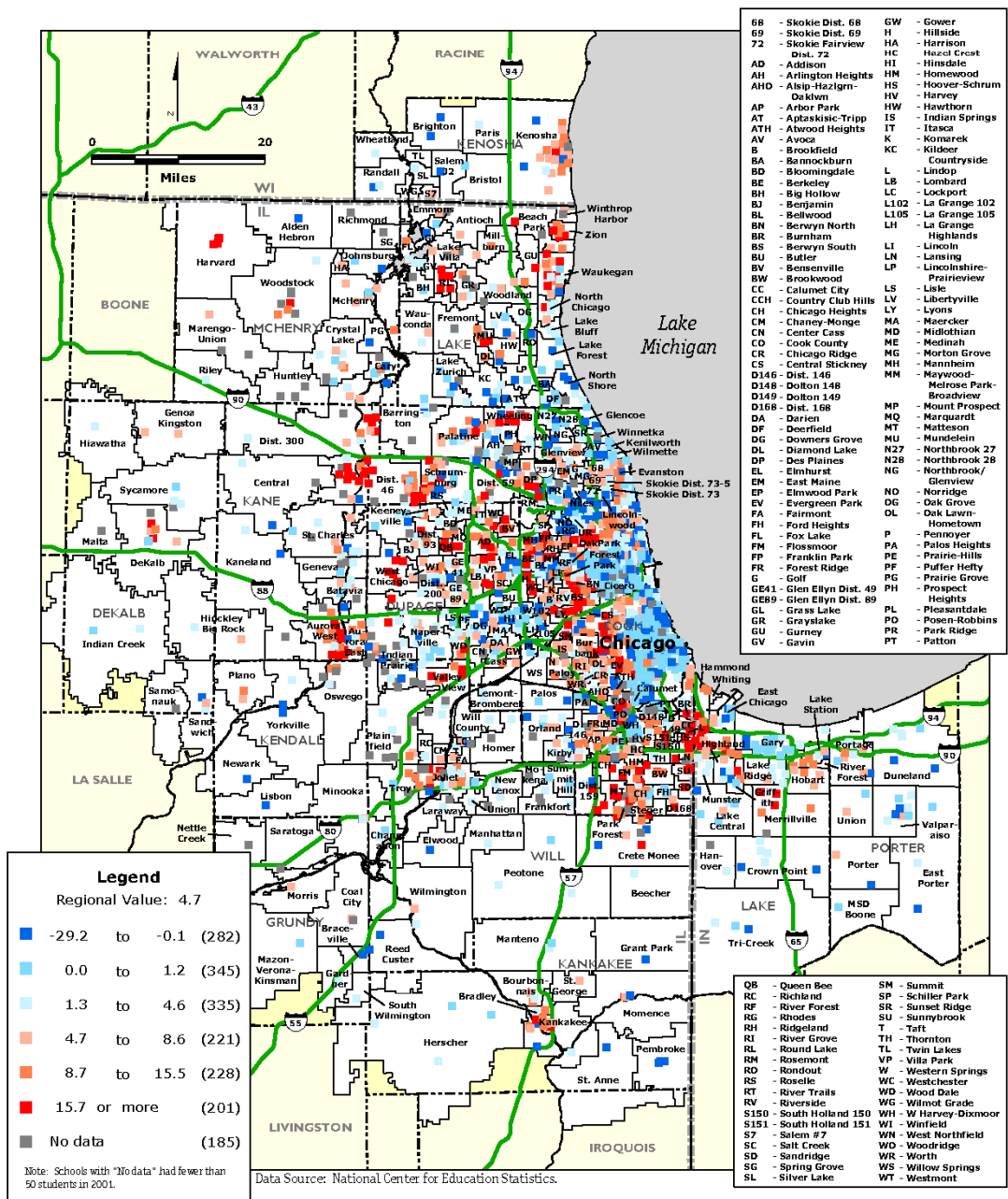


Data Source: Minnesota Department of Education, Enrollments-Schools Grade/Ethnicity/Gender (04/20/2006).





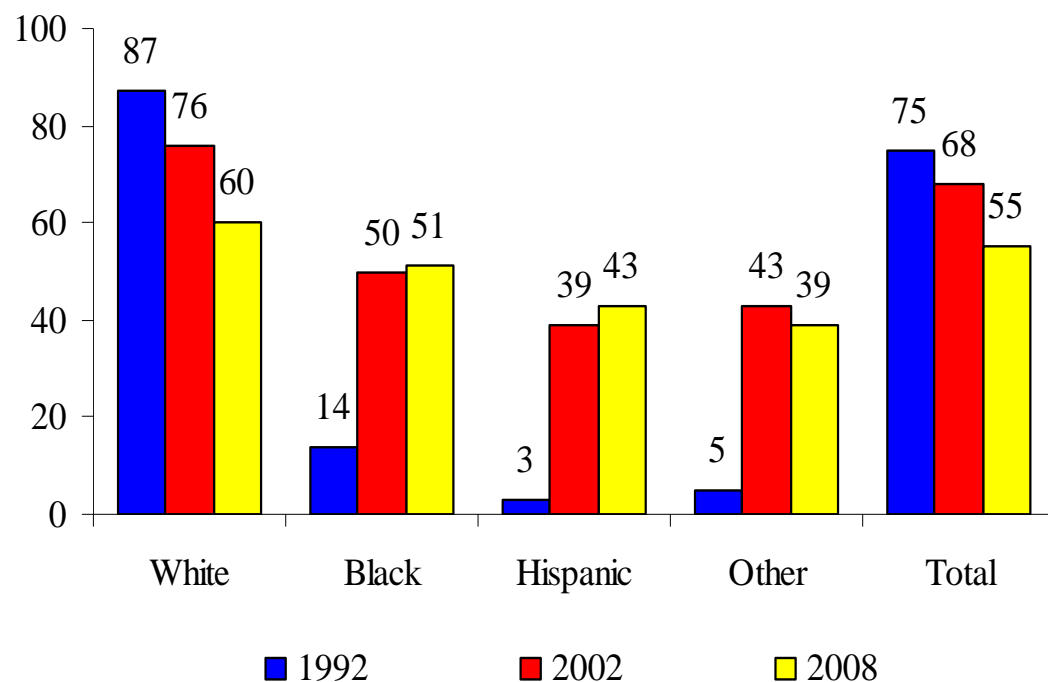
CHICAGO REGION: Change in Percentage Points of Non-Asian Minority Students by Elementary School, 1995-2001



School Segregation Hurts Students of Color

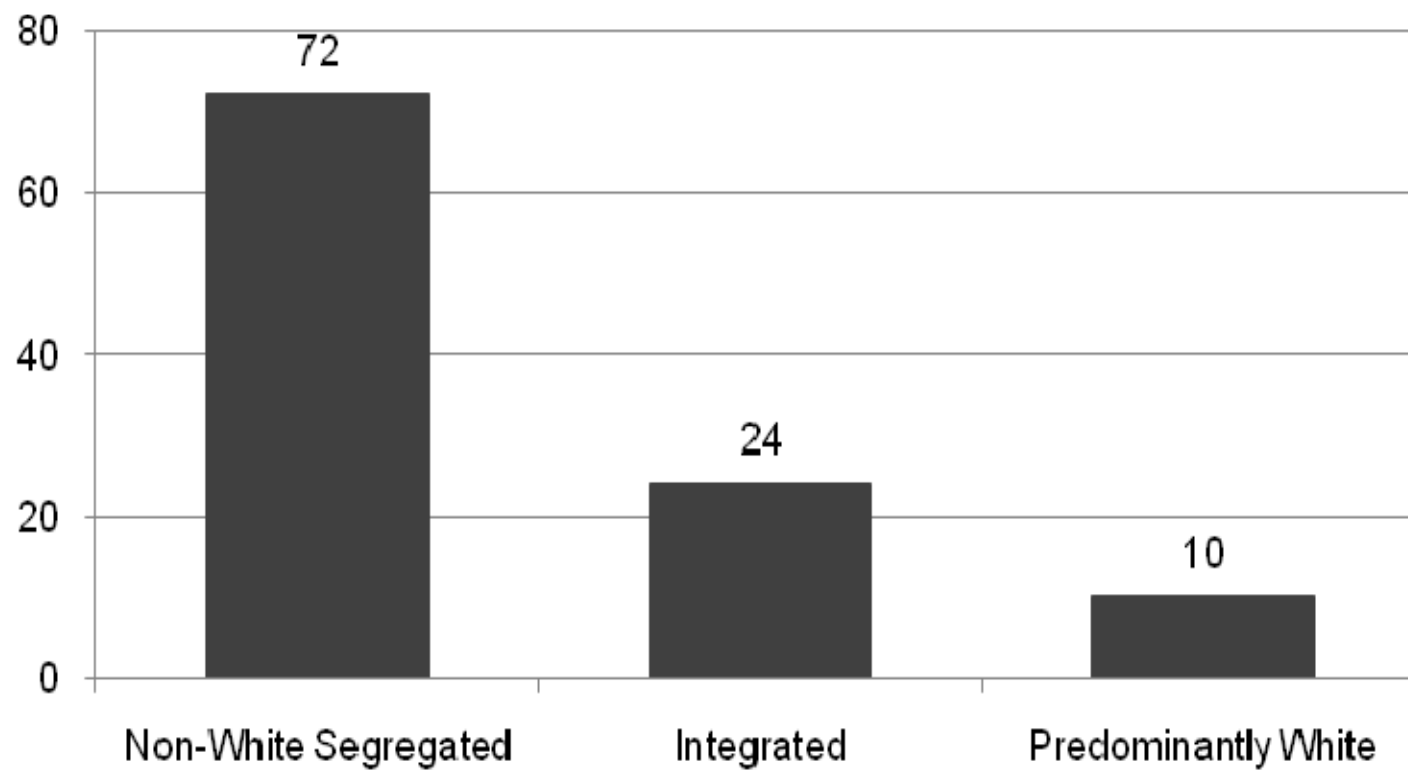
Chart 2

Percentage of Students in Segregated Settings by Race,
Twin Cities Metropolitan Area



The overall share of elementary students of color attending non-white segregated schools increased from 9% to 46% in just 16 years.

**% of Students Free or Reduced-Price
Lunch Eligible by School Type, 2008**



Minneapolis Public Elementary Schools Race and Ethnicity, 1999-2000

Legend

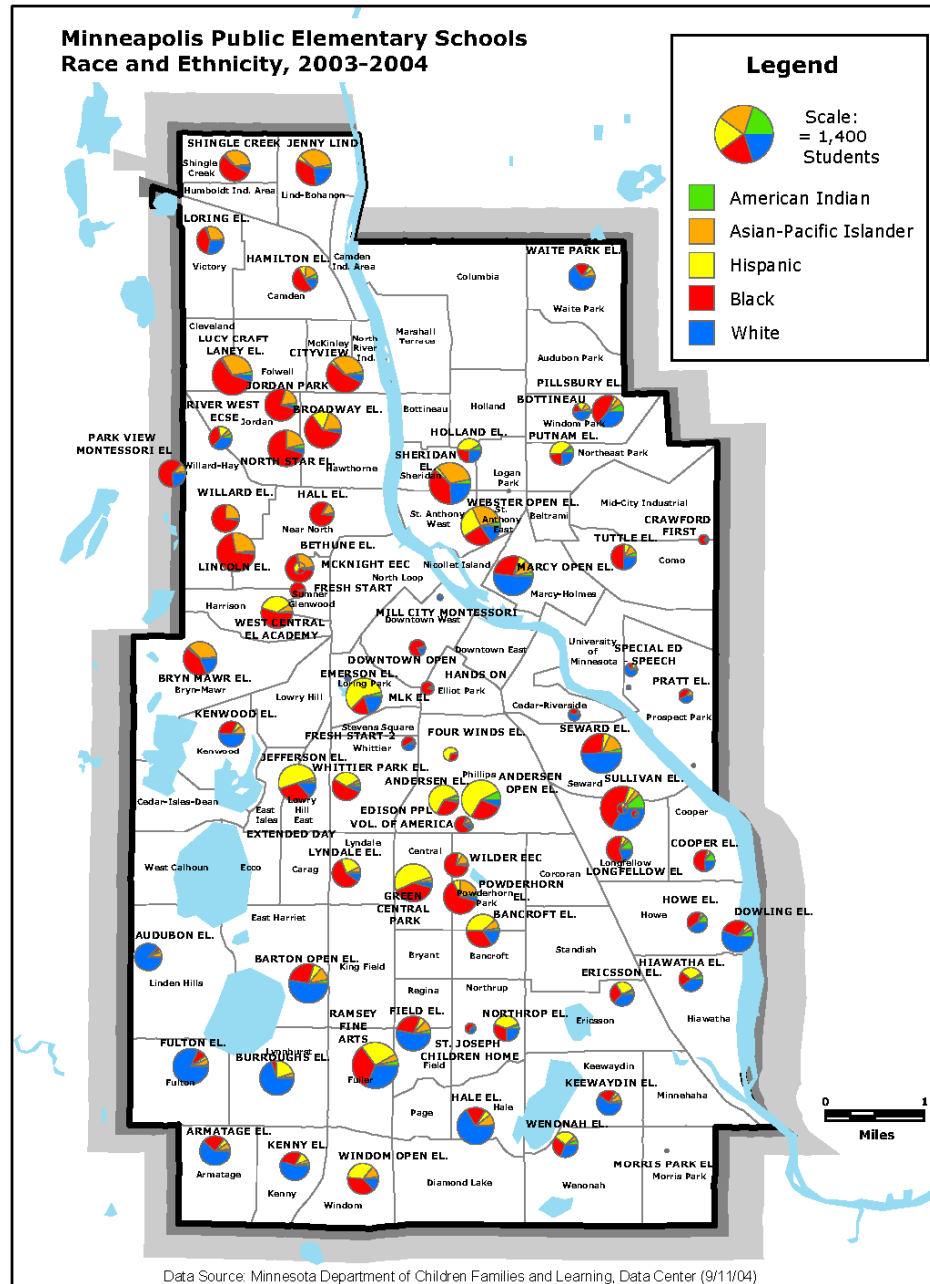
Scale:
= 1,400
Students

American Indian
Asian-Pacific Islander
Hispanic
Black
White

0 1
Miles

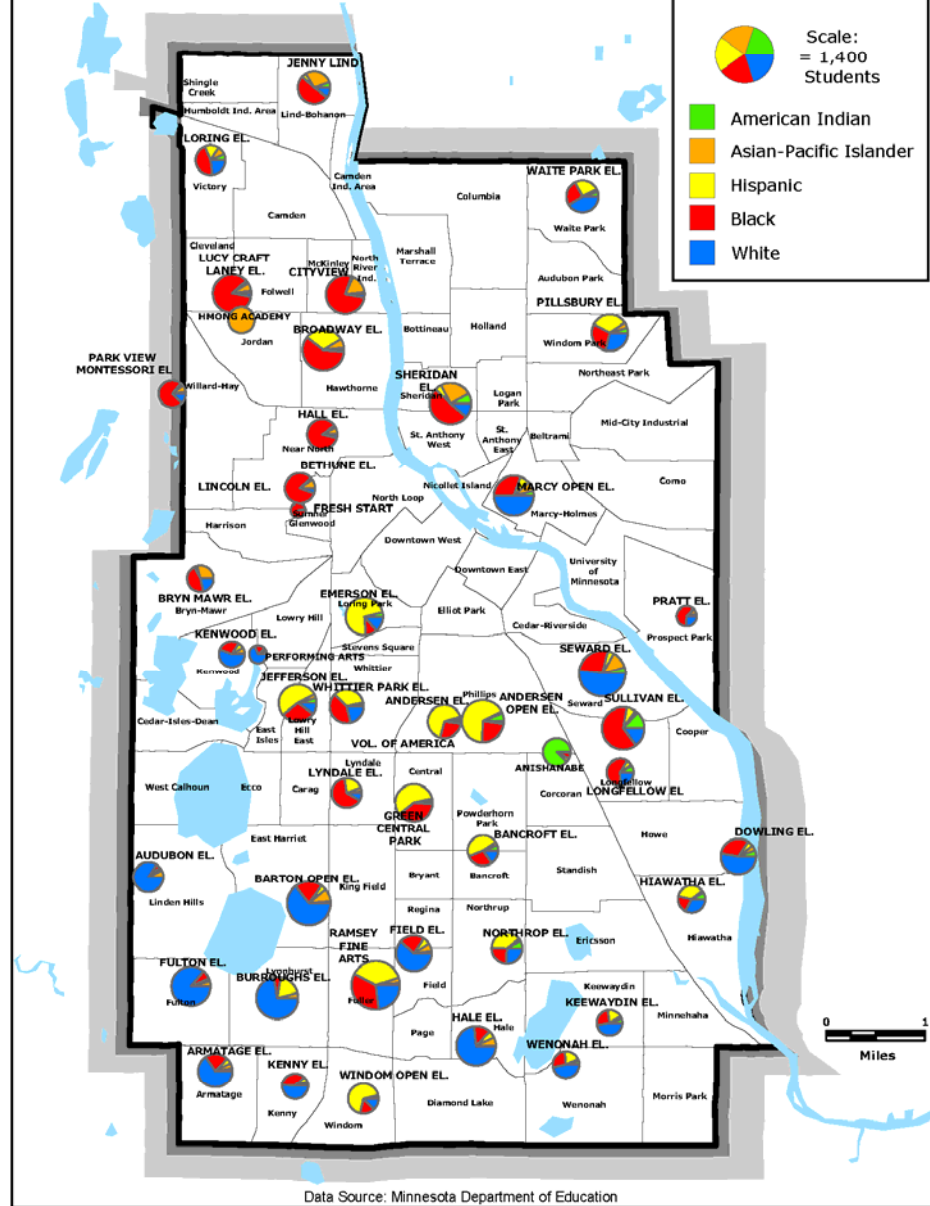
Data Source: Minnesota Department of Children Families and Learning, Data Center (9/11/04)

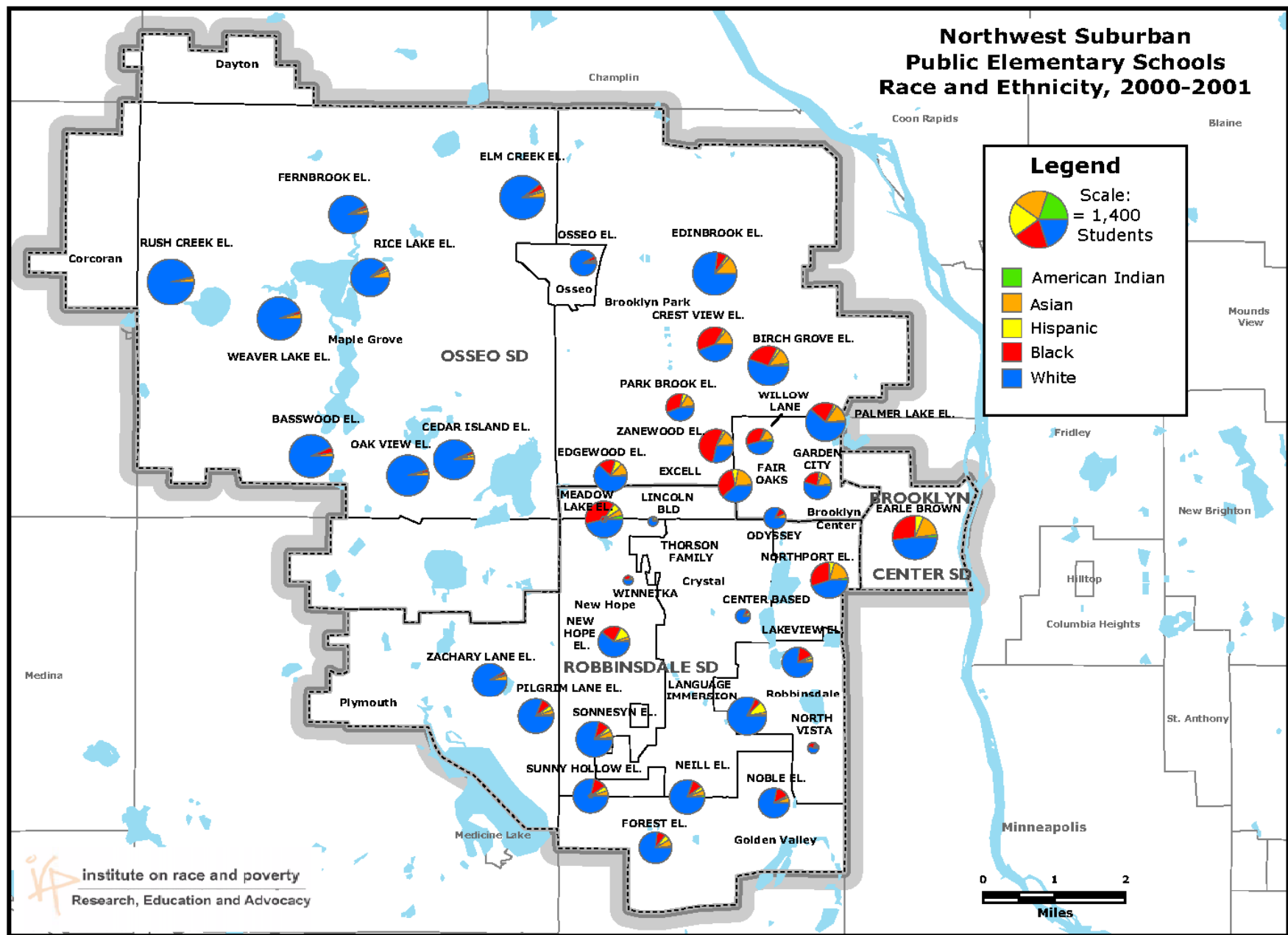
Minneapolis Public Elementary Schools Race and Ethnicity, 2003-2004



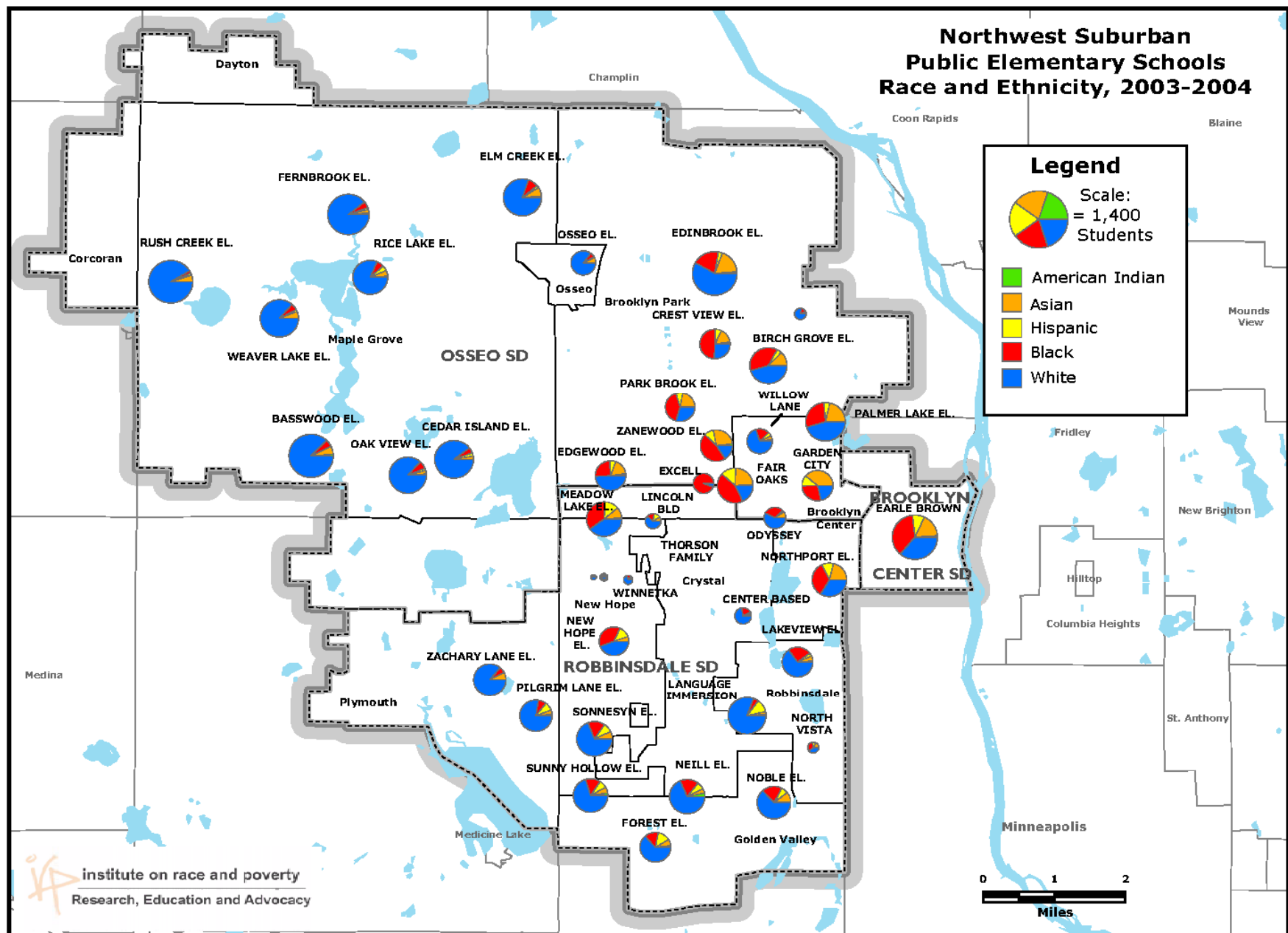
Data Source: Minnesota Department of Children Families and Learning, Data Center (9/11/04)

Minneapolis Public Elementary Schools Race and Ethnicity, 2007-2008

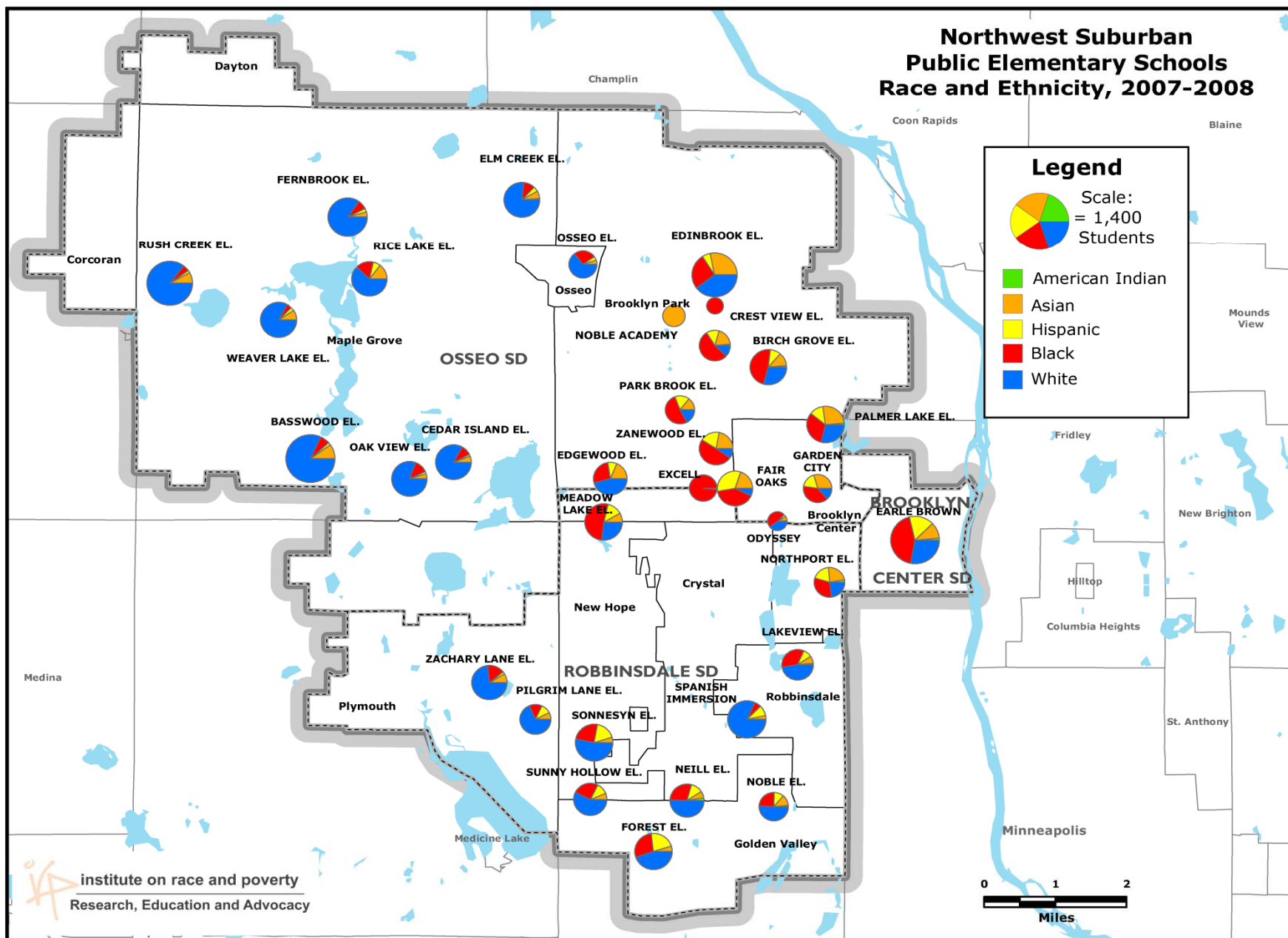




Data Source: Minnesota Department of Children Families and Learning, Data Center (10/25/04)



Data Source: Minnesota Department of Children Families and Learning, Data Center (10/25/04)



Data Source: Minnesota Department of Education

High-poverty, segregated schools undermine opportunity for their students in many ways, including:

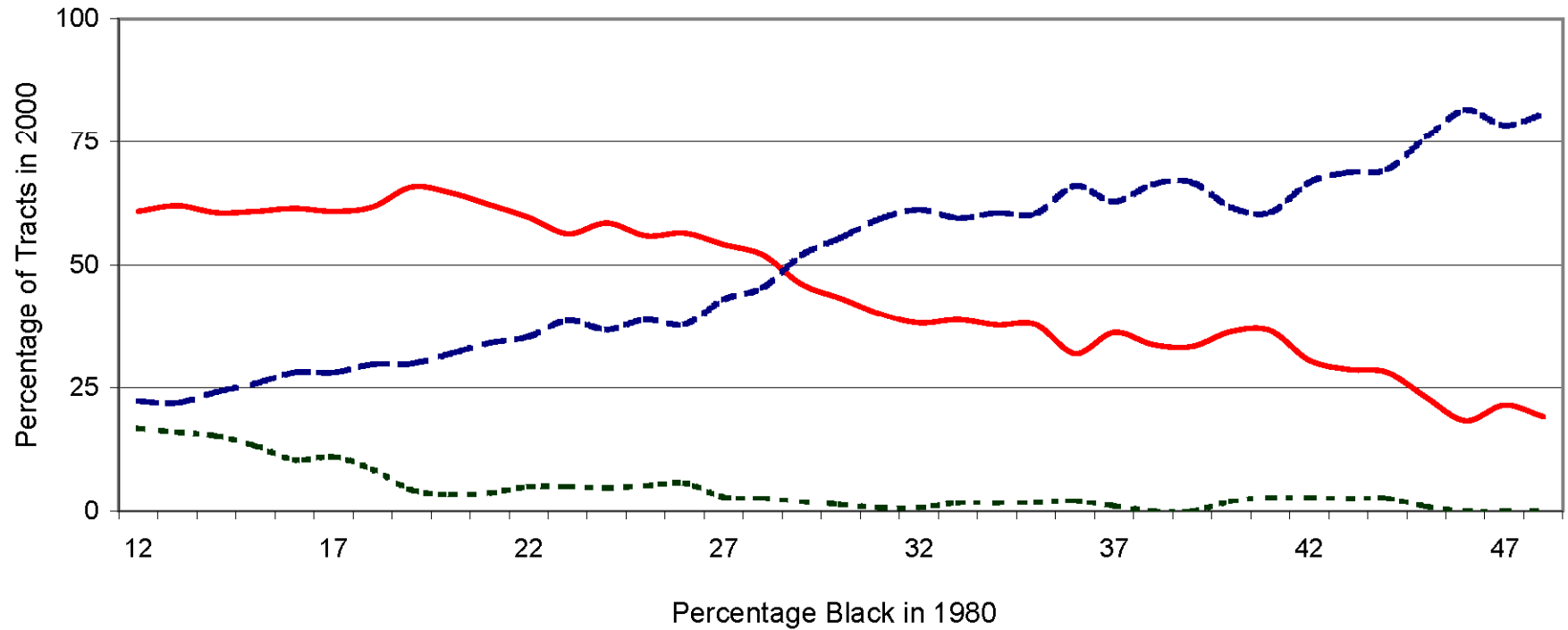
- Lower test scores
- Higher dropout rates
- Lower college attendance rates
- Lower earnings later in life
- Greater risk of being poor as adults

Characteristics of High-Poverty Schools that Undermine Quality of Education

- Less qualified and less experienced teachers due to high turnover among teachers
- Limited curricula taught at less challenging levels, which limits educational and career options
- Absence of positive peer competition and influence, which lowers educational expectations

Regional School Desegregation and Neighborhood Stability

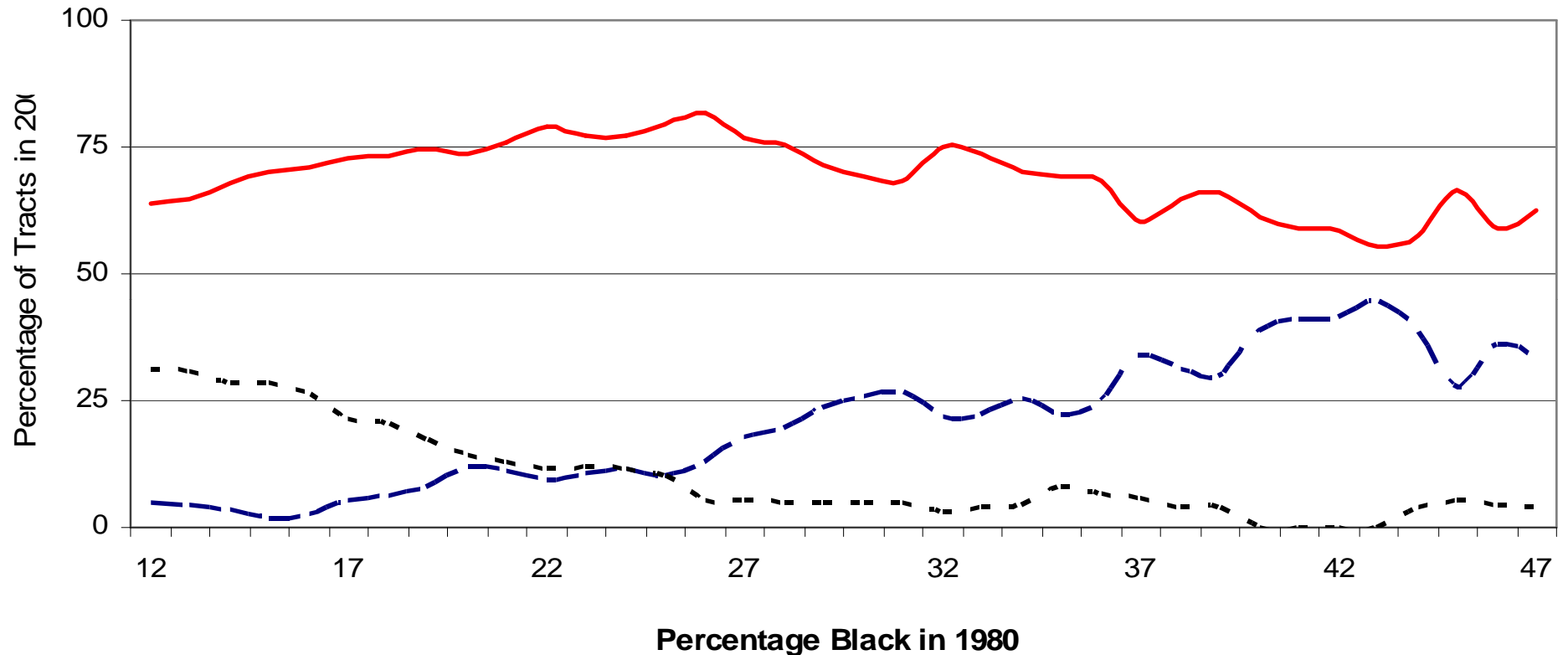
2000 Distribution of 1,592 Tracts that were White/Black Integrated in 1980



Conclusion: When the Black population share was 29% or greater in 1980, the tract was more likely to resegregate during the next 20 years than it was to remain integrated.

— Remained Integrated — Changed to Black, Black/Hispanic or Hispanic - - - Changed to Majority White

**2000 Distribution of 633 Tracts that were White/Black Integrated in 1980
in 15 Metro Areas with County- or Metro-wide Busing in the 1980's and 1990's**



Conclusion: Tracts were more likely to remain integrated than to resegregate during the next 20 years from all starting points.

— Remained Integrated - - - Changed to Segregated - - - Changed to Predominantly White

A large number of school districts in the Twin Cities are at risk of re-segregating if nothing is done.

Twin City School District Racial Shares, 1992-2008

Percentage of Elementary Students <u>Non-white in 2008</u>	Number of <u>Districts</u>	<u>Districts</u>	% of Students NW (% of Elem. Schools NW Seg.)		
			<u>1992</u>	<u>2002</u>	<u>2008</u>
70-100	3	St. Paul, Brooklyn Center, Minneapolis	52 (12)	72 (60)	71 (65)
40-70	4	Columbia Heights, Richfield, Robbinsdale, Osseo	13 (0)	34 (3)	48 (10)
30-40	8	Fridley, Bloomington, West St. Paul/ Mendota Heights/Eagan, St. Louis Park, Roseville, Burnsville, North St. Paul/Maplewood, Shakopee	12 (0)	25 (0)	38 (2)
20-30	8	Hopkins, South St. Paul, Spring Lake Park, Inver Grove Heights, Eden Prairie, Mounds View, South Washington, Rosemount/ Apple Valley/ Eagan	6 (0)	15 (0)	26 (0)

Suggested Policies:

Coordinating Regional Housing Policies with Regional School Desegregation Policies

- Better regional distribution of LIHTC and Section 8 Housing could significantly reduce segregation in the region's schools.

Metropolitan School Integration Scenarios	
Number of black students that would have to change schools in order to achieve racial balance.	12,580
Number of additional black students that would already be in a racially integrated school if: <ul style="list-style-type: none"> • LITHC units were assigned randomly by race. • Section 8 project units were assigned randomly by race. 	738 789
Number of additional black students that would already be in a racially integrated school if: <ul style="list-style-type: none"> • LIHTC units were distributed across the region in proportion to school enrollment. • Section 8 project units were distributed across the region in proportion to school enrollment. 	655 1,301
Additional Section 8 vouchers in the suburbs if they were distributed in same proportions as school enrollment. Additional black households in suburbs (at 2000 shares in voucher program). Children aged 6-17 in the added suburban black households (at 2000 average).	4,750 2,215 1,788
Grand Total additional black school-age children in the suburbs	5,271 (42%)

Expanding Children's Opportunities: School desegregation and integration

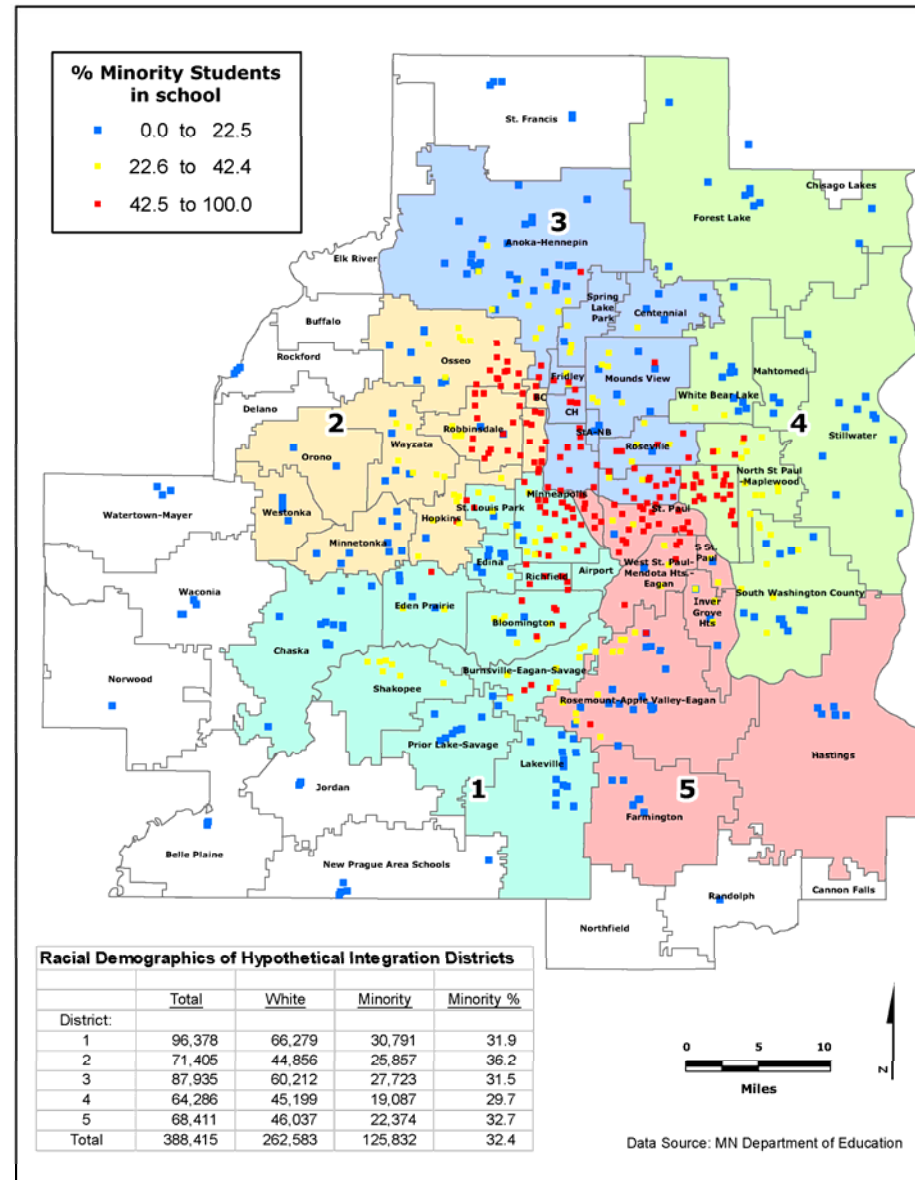
- Local solutions alone cannot turn schools around. Already existing segregation and regional processes like white flight and fragmented land-use planning mean that local areas and school districts cannot go it alone. Regional approaches are needed.
- Local approaches can help, if designed to complement regional solutions.

Regional Approaches to School Integration: **Metro Collaborative Integration Districts**

- Schools within the collaborative districts share pupils and funding to integrate all schools within the collaborative district.
- Integration districts already exist in the Twin Cities, but they have very limited powers and are not metro-wide.
- In the Twin Cities, collaboration districts would be more efficient and integrative, for instance, if the metro area were divided into five metro “meta-districts,” drawn to maximize diversity within each meta-district.



Twin Cities Metropolitan Area Hypothetical Integration Districts and Segregated and Integrated Public Schools, 2007-2008



Regional Approaches to School Integration: The Choice is Yours

- Choice is Yours allows low income students to move to suburban districts. It initially resulted in some integration of suburban districts and academic gains for the participating students.
- The program does not cover the entire region and a number of participating suburban schools have become racially isolated, high poverty schools, implying that the program needs to be expanded further into the suburbs.
- Choice is Yours should also be linked to housing choice programs in high opportunity school districts and suburbs.

Regional Approaches to School Integration: Integration Revenue

- Integration Revenue is extra funding meant to promote integration that is provided to Minnesota school districts with racially isolated schools.
- Integration revenue funds currently provide little or no incentive for school districts to desegregate their minority and low-income students.
- The purpose of the funding should be changed from “increasing interracial contact” to the physical integration of school districts, schools, and classrooms.

Integration Revenue: Current Formula

Statewide allocation (2008): \$85.4. million

Fixed per allocations to St. Paul, Minneapolis (>\$500 per ADM) and Duluth (~\$200 per ADM) school districts, which receive \$ regardless of plans to use the funds.

St. Paul:	\$20.4 million
Minneapolis:	18.7 million
Duluth:	2.3 million

Integration Revenue: Current Formula

Other districts receive funds based on eligibility.

Racially isolated districts – required to a multi-district collaboration council with adjoining districts to develop an integration plan

Districts with racially isolated schools – required to draft a budget showing how funds will be used to support “increased opportunities for interracial contact”

Integration Revenue: Current Formula

Weaknesses

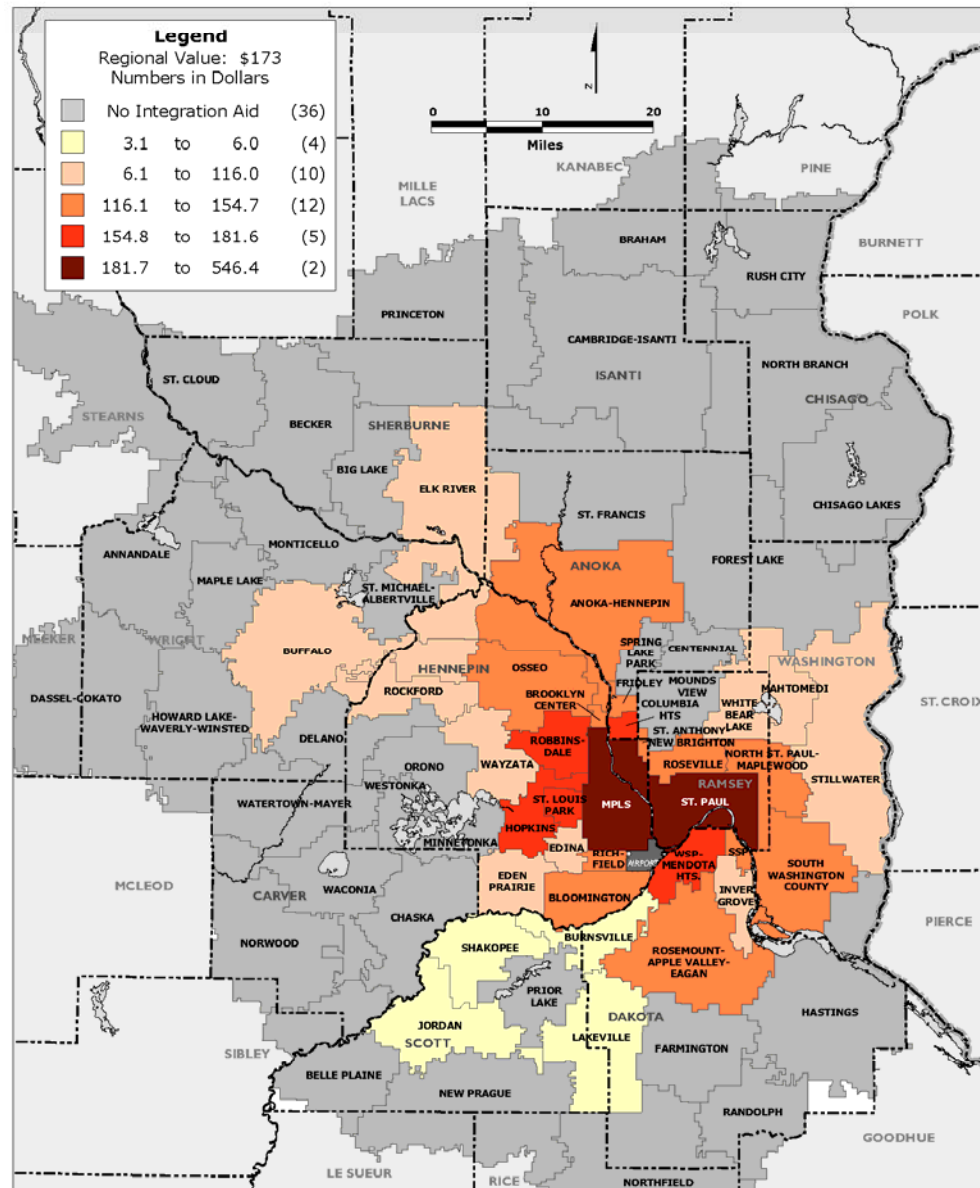
Ambiguity of its primary goal—promoting “interracial contacts”

- Interpreted very broadly by receiving districts
- Leading overall to use as extra funding for poor and minority schools for ESL, support staff, training...
- Worthy purposes, but not directly related to desegregating poor and minority students.

Adverse incentives

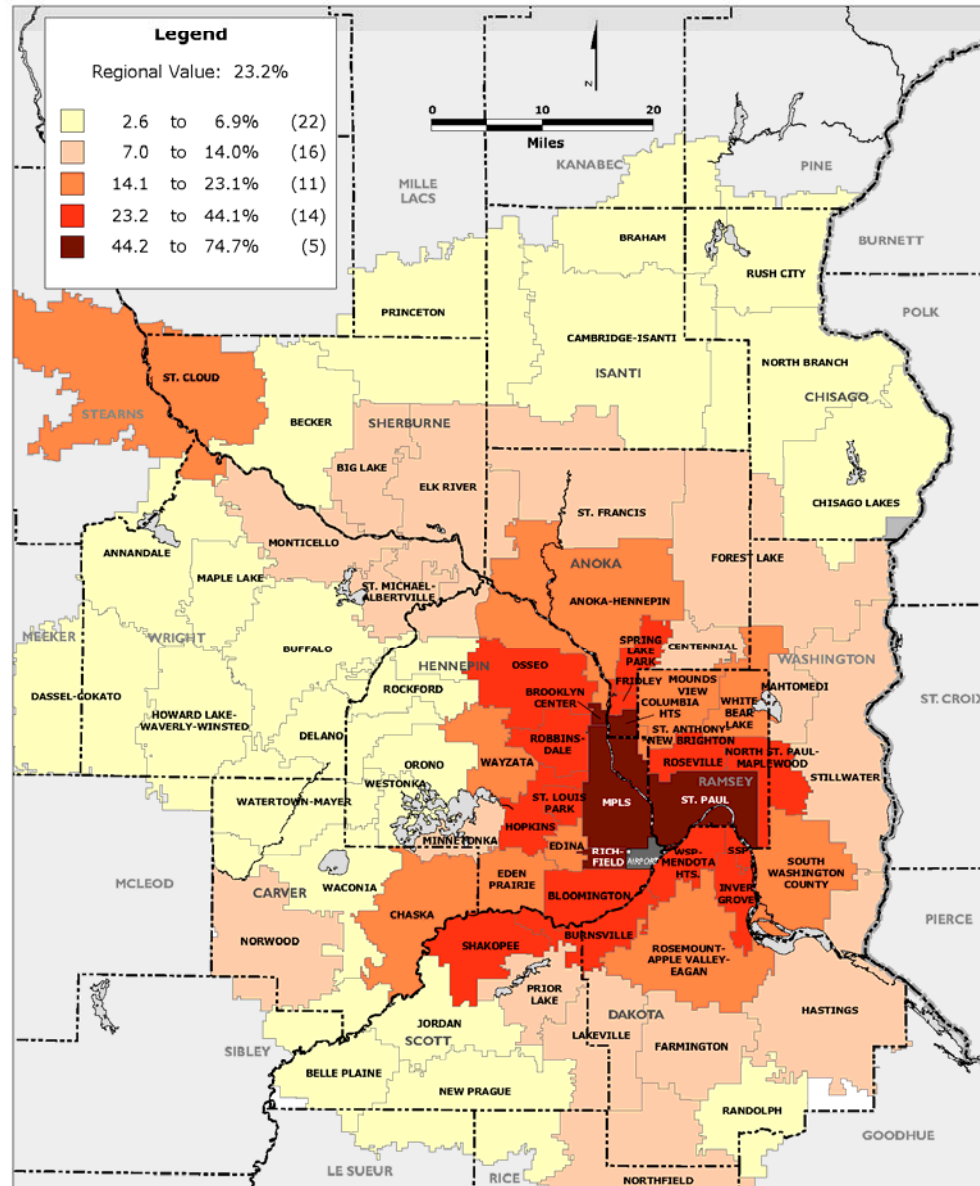
- *Disincentive* to fully eradicate segregation because this would lead to discontinued funding

MINNEAPOLIS - SAINT PAUL REGION Integration Aid Spending Per Pupil in School Districts, 2007



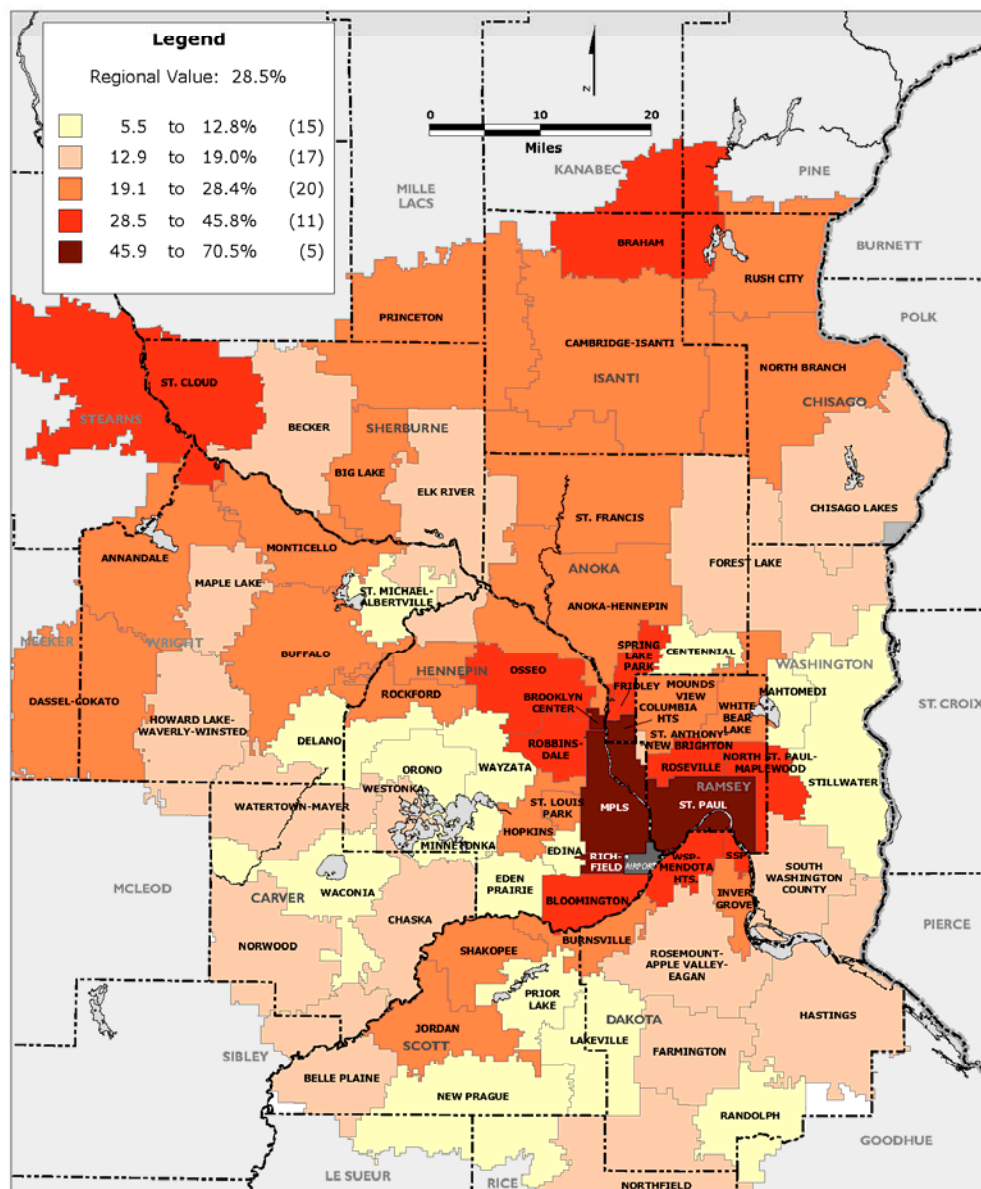
Data Source: MN Department of Education.

MINNEAPOLIS - SAINT PAUL REGION **Percentage of Students that are** **People of Color in School Districts, 2007**



Data Source: MN Department of Education.

MINNEAPOLIS - SAINT PAUL REGION **Percentage of Students that are enrolled in** **Free and Reduced Lunch in School Districts, 2007**



Data Source: MN Department of Education.

Possible Integration Revenue Reform

Reward school districts on a per student basis for documented pro-integrative student movements and/or for the number of students in integrated schools

(1) Intra-district Moves

Reward districts for:

- White student movement from predominantly white assigned schools to integrated or predominantly non-white schools
- Student of color movement from predominantly non-white assigned schools to integrated or predominantly white schools

Possible Integration Revenue Reform

(2) Inter-district Moves

Reward *both sending and receiving* districts for:

- White student movement from predominantly white assigned schools to integrated or predominantly non-white schools
- Student of color movement from integrated or predominantly non-white assigned schools to predominantly white schools

Extra revenue would replace some of the revenue lost in sending districts and augment regular aid flows in receiving districts.

Possible Integration Revenue Reform

(3) Integrated Schools

Reward districts (per student) for students in schools meeting a region-wide definition of “integrated”

Integration Revenue Reform Simulation

Compensation: \$2,250 per move for pro-integrative moves (roughly equal to the average CIY financial incentive); \$250 per student in integrated schools (schools with white shares between 25 percent and 75 percent). The simulation is for Twin Cities metro districts only.

Spreadsheet:

Columns (1) – (3): 2007 Integration Aid

Columns (5) – (9): Calculations for pro-integrative moves from Choice is Yours and Magnet data only. Other possible contributors not included (no data)—inter- and intra-district open enrollments, district-sponsored charter schools.

Columns (10) – (11): Calculations for students in integrated schools.

Columns (12) – (13): Total integration revenue and differences from current amounts.

Integration Revenue Reform Simulation

Highlights of results (spreadsheet):

- Minneapolis and St. Paul still receive the most funding because they already have programs that result in substantial numbers of pro-integrative moves—magnet schools and CIY.
- They receive 15-20% less than now but
 - inter- and intra-district open enrollments (not counted in this simulation) would make up for at least some of the gap, and
 - modest increases in integration rates in their magnets could also increase funding significantly

MINNEAPOLIS - SAINT PAUL REGION Simulated Integration Revenue per Pupil in 2007 With Proposed Incentive-based Formula

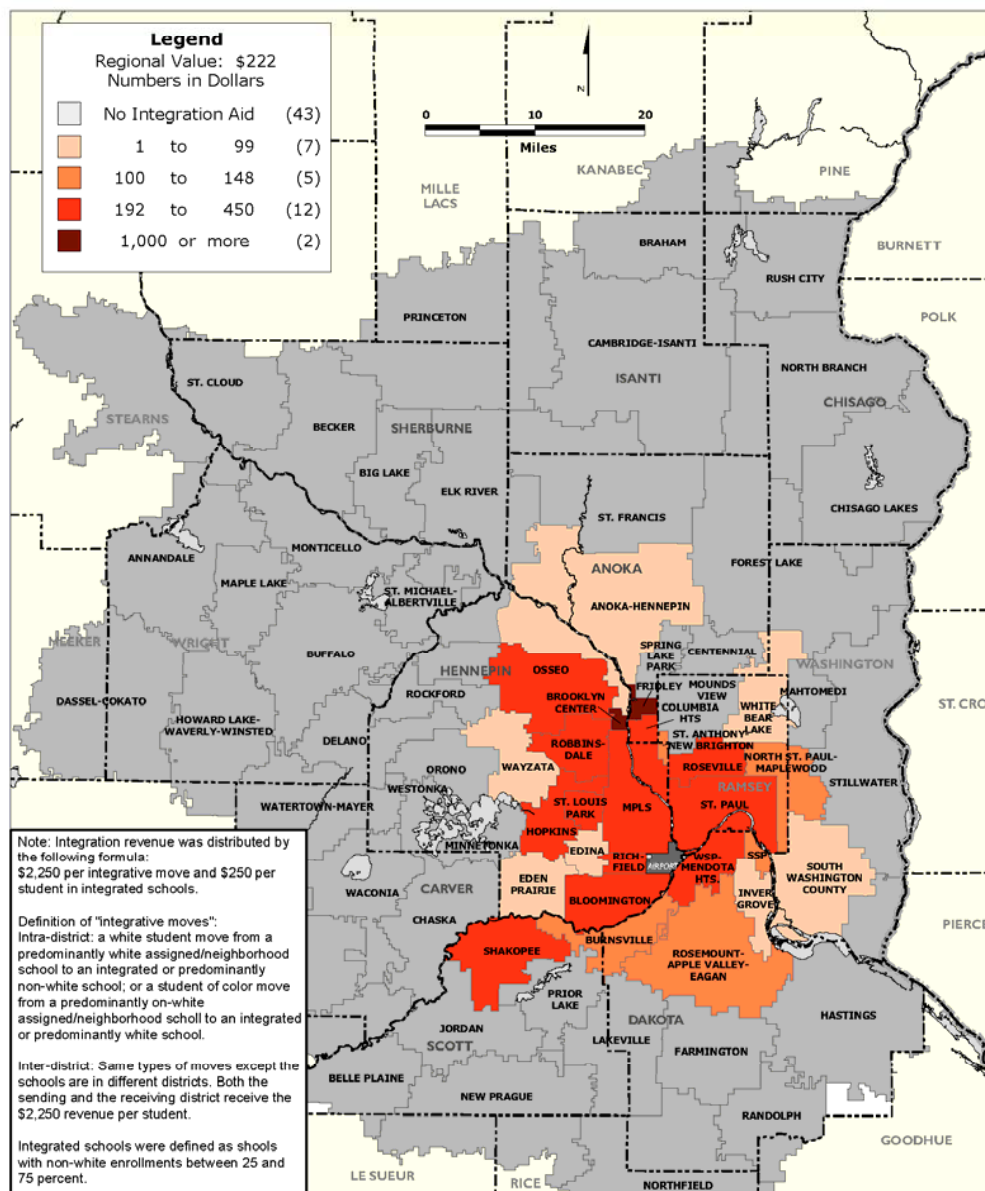


Table 1: Integration Revenue Simulation: Compensation = \$2,250 per integrative move and \$250 per Student in Integrated Schools

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<u>District</u>	2007 Adjusted ADM	2007 Integration Revenue	CIY Part.	Students in Integ. Magnets	Students in Seg. Magnets	Current Integrative Moves (3) + (4)	<i>Integration Revenue from Int. Moves</i>	Students in Integ. Schools	<i>Integration Revenue from Int. Schools</i>	Total Integration Revenue
ANOKA-HENNEPIN	40,440	6,058,384	0	0	0	0	0	10,842	2,710,500	2,710,500
BLOOMINGTON	10,484	1,576,998	0	1,020	0	1,020	2,295,000	5,398	1,349,500	3,644,500
BROOKLYN CENTER	1,762	256,900	0	1,755	0	1,755	3,948,750	0	0	3,948,750
BURNSVILLE	10,402	34,916	0	0	0	0	0	6,165	1,541,250	1,541,250
COLUMBIA HEIGHTS	3,006	546,079	196	0	0	196	441,000	2,929	732,250	1,173,250
EDEN PRAIRIE	9,824	1,043,050	6	0	0	6	13,500	1,538	384,500	398,000
EDINA	7,560	877,875	170	0	0	170	382,500	548	137,000	519,500
ELK RIVER	11,766	1,234,916	0	0	160	0	0	0	0	0
FRIDLEY	2,586	396,033	0	1,671	0	1,671	3,759,750	1,051	262,750	4,022,500
HOPKINS	8,014	1,267,587	230	0	0	230	517,500	4,076	1,019,000	1,536,500
INVER GROVE	3,813	383,486	0	0	118	0	0	1,001	250,250	250,250
LAKEVILLE	11,088	34,916	0	0	0	0	0	0	0	0
MINNEAPOLIS	35,701	19,507,925	1,858	4,278	4,061	6,136	13,806,000	8,981	2,245,250	16,051,250
NORTH ST. PAUL	11,727	1,696,781	0	0	0	0	0	6,859	1,714,750	1,714,750
OSSEO	22,083	3,218,727	0	2,216	0	2,216	4,986,000	6,469	1,617,250	6,603,250
RICHFIELD	4,162	644,045	238	87	0	325	731,250	2,964	741,000	1,472,250
ROBBINSDALE	13,474	2,132,771	571	0	618	571	1,284,750	11,653	2,913,250	4,198,000
ROSEMOUNT-APPLE	27,694	4,137,688	0	1,040	641	1,040	2,340,000	4,132	1,033,000	3,373,000
ROSEVILLE	6,539	981,041	0	0	0	0	0	5,262	1,315,500	1,315,500
SHAKOPEE	5,983	32,340	0	0	0	0	0	4,919	1,229,750	1,229,750
SOUTH ST. PAUL	3,294	469,641	0	0	0	0	0	1,758	439,500	439,500
SOUTH WASHINGTC	16,618	2,454,423	0	0	0	0	0	4,489	1,122,250	1,122,250
ST. ANTHONY	1,722	229,138	99	0	0	99	222,750	0	0	222,750
ST. LOUIS PARK	4,318	684,839	177	0	0	177	398,250	3,574	893,500	1,291,750
ST. PAUL	40,241	20,669,298	0	6,035	7,938	6,035	13,578,750	9,233	2,308,250	15,887,000
STILLWATER	8,966	969,947	0	0	0	0	0	0	0	0
WAYZATA	9,969	1,125,811	171	0	0	171	384,750	73	18,250	403,000
WEST ST. PAUL	4,555	735,220	0	316	0	316	711,000	3,418	854,500	1,565,500
WHITE BEAR LAKE	8,556	918,924	0	0	0	0	0	925	231,250	231,250
Metro Total	346,346	74,319,697	3,716	18,418	13,536	22,134	49,801,500	108,257	27,064,250	76,865,750

Integrative moves

Intra-district: White student move from a predominantly white assigned/neighborhood school to an integrated or predominantly non-white school; or
Student of color move from a predominantly non-whites assigned/neighborhood school to an integrated or predominantly white school.

Inter-district: Same types of moves except the schools are in different districts.

Both the sending and the receiving district receive the \$2,250 revenue per student.

Column (8) assumes that all students in CIY or integrated magnets came from segregated assigned schools. Other potential integrative moves not counted in this calculation include those from inter-district open enrollment, district-sponsored charter school enrollments or intra-district open enrollment.

Integration Revenue Reform Simulation

Highlights of results (continued):

- Largest increases in funding would be to suburban districts with significant and growing numbers of students of color, such as Bloomington, Brooklyn Center, Burnsville, Fridley, Osseo, Robbinsdale and Shakopee.
- “New” pro-integrative moves needed in other receiving districts to break even are relatively modest.
- In many cases, existing open enrollments or intra-district choices could be enough to ensure break-even.

Other Issues

- Whether to include requirements regarding how funds should be spent—e.g. teacher training, student counseling, transportation for after-school activities and parent-teacher conferences.
- Whether to include requirements or incentives regarding in-school segregation from tracking or special programs. If yes, how measure outcomes?
- Funding levels retrospective (based on last year)? Per pupil incentives could then be adjusted to keep funding within a cap.
- The simulation does not include non-metro districts where the funding formula would need to be different because distances and the small number of schools per district limit the potential for pro-integrative moves.



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